

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0294179

IN RE: P-5 ORGANIZATION REPORT OF LANDRICK O & G OPERATING, LLC

FINAL ORDER

The Commission finds that after notice and an opportunity for hearing regarding the captioned matter, the Operator failed to request a hearing and pay the hearing fee as required by 16 TEX. ADMIN. CODE §3.15(g)(4) and TEX. NAT. RES. CODE §89.022(f). This matter having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, the Commission makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. Landrick O & G Operating, LLC [Operator #484697] (the "Operator"), is the record operator or one or more inactive wells in the State of Texas and is required to file Organization Report (Form P-5) with the Commission. Operator's most recent P-5 was due on or before July 1, 2014.
2. After filing its most recent Organization Report (Form P-5) with the Commission, the Operator was notified they were deficient and had failed to comply with the requirements of 16 TEX. ADMIN. CODE § 3.15 (Surface Equipment Removal Requirements and Inactive Wells) and provided with a written statement of the reasons for the determination and allowed ninety (90) days from the date its P-5 was due to comply with the requirements of 16 TEX. ADMIN. CODE § 3.15 and TEX. NAT. RES. CODE §§89.021 - 89.030.
3. After the expiration of ninety (90) days and pursuant to 16 TEX. ADMIN CODE §3.15(g)(4), an authorized Commission employee determined that the Operator's Organization Report still could not be renewed because the Operator continued to fail to comply with the requirements of 16 TEX. ADMIN. CODE §3.15 (Surface Equipment Removal Requirements and Inactive Wells).
4. The Commission sent the Operator a letter by certified mail giving notice to the Operator of the determination of continued non-compliance regarding specified inactive wells, attached as Exhibit A to this order, and advising the Operator of the right to request a hearing to show compliance. The letter notified the Operator that the hearing request must be received in docket services no later than 30 days after the date of the letter. The letter also notified the Operator that a final order denying renewal of the Operator's Organization Report (Form P-5) would result in the cancellation of all P-4 Certificates of Compliance and the severance of all pipeline or other carrier connections.

5. All notices and letters from the Commission to the Operator on this matter were addressed and mailed to the Operator's most recently reported address on the Form P-5 Organization Report.
6. The Operator did not timely request a hearing and pay the hearing fee on these issues as required under 16 TEX. ADMIN. CODE §3.15(g)(4) (Surface Equipment Removal Requirements and Inactive Wells).
7. Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15) is a Commission rule that relates to safety or the prevention or control of pollution.

CONCLUSIONS OF LAW

1. The Operator received proper notice and an opportunity for hearing regarding compliance with 16 Tex. Admin. Code §3.15 and Tex. Nat. Res. Code §§89.021 - 89.030.
2. All things necessary to the Commission attaining jurisdiction over the subject matter and the parties in this matter have been performed or have occurred.
3. The Operator is in violation of Commission Statewide Rule 15 and did not timely request a hearing to contest the determination that it was in violation.
4. The Operator's P-5 Organization Report should not be renewed and all of the Operator's P-4 Certificates of Compliance should be cancelled, with all related pipeline or other carrier connections severed. 16 Tex. Admin. Code §3.15 (g)(4) and Tex. Nat. Res. Code §§89.022(f), 91.704 - 91.706.
5. The Operator's P-5 Organization Report cannot be renewed until the operator brings the inactive wells shown on the attached Exhibit A into compliance with the requirements of 16 Tex. Admin. Code §3.15 and Tex. Nat. Res. Code §§89.021 - 89.030.

IT IS ORDERED that renewal of Landrick O & G Operating, LLC's P-5 Organization Report is hereby **DENIED**.

It is further ORDERED that all P-4 Certificates of Compliance issued to Landrick O & G Operating, LLC as operator of record are hereby **CANCELLED** and all related pipeline or other carrier connections are hereby **SEVERED**.

It is further ORDERED that Landrick O & G Operating, LLC shall bring the wells on Exhibit A into compliance with Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15) and that the Operator's P-5 Organization Report shall not be renewed until the wells on Exhibit A have been brought into compliance as required by this order.

It is further ORDERED that Landrick O & G Operating, LLC and each person who held a position of ownership or control in the Operator at the time the Operator's most-recent P-5 Organization Report was filed shall be subject to the terms of TEX. NAT. RES. CODE §91.114.

It is further ORDERED by the Commission that this order shall not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T. CODE §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the parties are notified of the order.

All requested Findings of Fact and Conclusions of Law which are not expressly adopted herein are **DENIED**. All pending motions and request for relief not previously granted or granted herein are **DENIED**.

RAILROAD COMMISSION OF TEXAS

(Signatures affixed by Rule 15 Inactive Well
Master Order dated December 9, 2014.)

API Number	District	ID Number	Lease Name	Well Number
105 00109	7C	07088	SHANNON -A- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	17
105 00498	7C	07087	SHANNON, J. M. -B- No approved W-3X on file	7
105 00499	7C	02051	SHANNON, J. M. ESTATE -A- No approved W-3X on file	8
105 00500	7C	07087	SHANNON, J. M. -B- No approved W-3X on file	9
105 00917	7C	02071	SHANNON -T- No approved W-3X on file	9A
105 00919	7C	02071	SHANNON -T- No approved W-3X on file	10A
105 00983	7C	02071	SHANNON -T- No approved W-3X on file	3A
105 01468	7C	02066	SHANNON, M. A. EST. No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	2
105 01488	7C	02066	SHANNON, M. A. EST. No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	22
105 01592	7C	06055	SHANNON -17- No approved W-3X on file	3
105 02060	7C	07088	SHANNON -A- No approved W-3X on file	3 L
105 02061	7C	07088	SHANNON -A- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	4
105 02067	7C	07088	SHANNON -A- No approved W-3X on file	10
105 02069	7C	07087	SHANNON, J. M. -B- No approved W-3X on file	1
105 02070	7C	07087	SHANNON, J. M. -B- No approved W-3X on file	5
105 30279	7C	05990	SHANNON -18- No approved W-3X on file	1
105 30318	7C	06055	SHANNON -17- No approved W-3X on file	1

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
105 30483	7C	06055	SHANNON -17-	2
No approved W-3X on file				
105 30772	7C	07087	SHANNON, J. M. -B-	15
No approved W-3X on file				
105 31154	7C	05990	SHANNON -18-	2
No approved W-3X on file				
105 31567	7C	05990	SHANNON -18-	3
No approved W-3X on file				
105 31969	7C	07087	SHANNON, J. M. -B-	3
No approved W-3X on file				
105 32017	7C	07087	SHANNON, J. M. -B-	25
No approved W-3X on file				
105 32072	7C	07087	SHANNON, J. M. -B-	22
No approved W-3X on file				
105 32096	7C	07087	SHANNON, J. M. -B-	21
No approved W-3X on file				
105 32131	7C	07087	SHANNON, J. M. -B-	18
No approved W-3X on file				
105 32903	7C	06055	SHANNON -17-	4
No approved W-3X on file				
105 33010	7C	07087	SHANNON, J. M. -B-	16
No approved W-3X on file				
105 34923	7C	02052	SHANNON, J. M. EST. -B-	8
No approved W-3X on file				
105 35164	7C	02052	SHANNON, J. M. EST. -B-	4
No approved W-3X on file				
105 35166	7C	02052	SHANNON, J. M. EST. -B-	13
No approved W-3X on file				
105 35167	7C	02052	SHANNON, J. M. EST. -B-	12
No approved W-3X on file				
Must resolve UIC H-5 Test issue preventing 14(B)(2) approval				
105 35168	7C	02066	SHANNON, M. A. EST.	46
No approved W-3X on file				
Must resolve Field Operations H-15 failure preventing 14(B)(2) approval				
105 35169	7C	02066	SHANNON, M. A. EST.	47
No approved W-3X on file				
105 35174	7C	02052	SHANNON, J. M. EST. -B-	33
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
105 35175 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	32
105 35176 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	26
105 35177 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	30
105 35178 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	27
105 35180 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	29
105 35190 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	17
105 35191 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	18 A
105 35193 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	20
105 35194 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	19
105 35203 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	31
105 35208 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	37
105 35209 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	35
105 35210 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	36
105 35216 No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	7C	02066	SHANNON, M. A. EST.	48
105 35227 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	10A
105 35228 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	14A
105 35232 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	28
105 35235 No approved W-3X on file	7C	02066	SHANNON, M. A. EST.	49

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
105 35255 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	3 A
105 35256 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	11A
105 35268 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	6 A
105 35269 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	7A
105 35273 No approved W-3X on file	7C	02052	SHANNON, J. M. EST. -B-	9 A
105 35277 No approved W-3X on file Must resolve UIC H-5 Test issue preventing 14(B)(2) approval	7C	02052	SHANNON, J. M. EST. -B-	41
105 35326 No approved W-3X on file	7C	07087	SHANNON, J. M. -B-	43
105 35362 No approved W-3X on file	7C	02066	SHANNON, M. A. EST.	6A
105 35381 No approved W-3X on file	7C	12243	SHANNON "4"	5
105 35579 No approved W-3X on file	7C	12607	SHANNON ESTATE "AC"	1
105 35615 No approved W-3X on file	7C	12607	SHANNON ESTATE "AC"	2
105 80276 No approved W-3X on file	7C	02051	SHANNON, J. M. ESTATE -A-	7
227 01006 Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	08	19041	TEX-HAN DOUTHIT	5
317 31616 Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	08	24607	NAIL, J.H., SEC. 26	1

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Exhibit A